

# Fiscal Note

*Fiscal Services Division*



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**HF 618** – Electrician's Licensing Repeal (LSB 1255HV)

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Fiscal Note Version – New

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## **Description**

**House File 618** eliminates electrical installation inspections on farms and makes some technical corrections to the fire extinguishing and alarm system contractors and installers program.

## **Background**

House File 897 (Electrician Licensure Act) created statewide licensure and certification of electricians and installers, established provisions regarding electrical inspections, and specified related licensing and inspection fees. The Bill created an 11-member Electrical Examining Board within the Fire Marshal's Office. The Bill also created an Electrician and Installer Licensing and Inspection Fund where all licensing, registration, examination, inspection, and renewal fees are deposited and made available to the Board, in consultation with the Fire Marshal's Office, and the balance does not revert to the General Fund.

The current Electrician Program generates approximately \$3.7 million of revenue annually and funds 28.0 FTE positions. There are currently 16 electrical inspectors and four electrical inspector supervisors. Under current law, an inspection must be made within three business days of the request for an inspection. The Program is averaging 1,460 new permits a month and 1,870 new inspections a month.

## **Assumptions**

- Licenses are renewed on a three-year rotation and are budgeted at approximately \$2.1 million every three years. Licensing revenue will remain the same.
- Permitting and inspection revenue is budgeted at approximately \$1.9 million annually. Permitting and inspection revenue will be reduced by approximately 50.0%.

## **Fiscal Impact**

There is no impact to the State General Fund.

**House File 618** will result in the reduction of approximately \$963,000 in permitting and inspection revenue annually to the Electrician and Installer Licensing and Inspection Fund beginning in FY 2012. The Board will offset the reduction in revenue by eliminating eight inspectors and two electrical inspector supervisors.

## **Source:**

Department of Public Safety

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/s/ Holly M. Lyons

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The fiscal note for this bill was prepared pursuant to **Joint Rule 17** and the correctional and minority impact statements were prepared pursuant to Code **Section 2.56**. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

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